It is not anticipated the output from underground mining in this seam will be large until pillar-extraction or its equivalent is started. The seam is vertical, thick (50 ft. plus in places), and friable, and, in addition, has comparatively weak walls, so the normal methods of mining employed in New Zealand will not be suitable. It is proposed to extract as large a tonnage as possible by opencasting and follow this method by "top slicing" and/or hydraulic stowage. In the latter case, the overburden broken out when opencasting may be utilized for filling.

Mine Buildings.—Coal Storage: Bins of a capacity for 140 tons of coal have been completed, and the installation of short conveyors between the screens and the new bins is in hand.

Mine Bathhouse and Office: A bathhouse for the accommodation of 30 men, and a mine office, were erected during the period.

Wangaloa Opencast

The Wangaloa Opencast is operated on behalf of the State Coal-mines by the Public Works Department.

Operation of the opencast has been continued steadily throughout the year, and with the plant available it has been possible to complete a large amount of stripping in advance of immediate requirements. The position at the end of the year was that six month's supply of coal was stripped ready for hewing and a further six months' supply was nearly uncovered.

To date 82,914 tons 12 cwt. of coal have been produced from the opencast since production commenced in October, 1945. The 1947-48 output amounted to 42,304 tons 4 cwt., or 10,281 tons 4 cwt. in excess of that of the previous year.

Total excavation to date has amounted to 300,503 cubic yards, of which amount 140,605 cubic yards was removed during the year under review. A pleasing feature of the stripping operations is that considerable progress has been made with removal of overburden in the swamp area that had previously given so much trouble.

Investigations are well advanced on the provision of access roading to the newly bored Pivot Creek area.

I have, &c.,

R. T. H. Dale, District Manager.

The District Manager, State Coal-mines, Ngakawau, to the Under-Secretary, Mines Department, Wellington.

Sir,—

17th June, 1948.

1 have the honour to submit my report on the workings of the Stockton State Mines for the year ended 31st March, 1948.

Output.—The gross output for the year from the Fly Creek and Webb Mines and E Hill opencast was 264,560 tons 16 cwt. 2 qr., an increase of 27,100 tons 12 cwt 2 qr. when compared with the previous year. Gross outputs of the individual mines were as follows:—

			Tons	ewt.	qr.
Fly Creek	 	 	30,830	15	()
Webb Mine	 	 	73,685	13	2
E Hill Opencast	 		160,044	8	()
			$\frac{-}{264.560}$	16	2